

Wichita Five-Year Consolidated Plan

2009–2013

Preliminary Process: Priority Needs

City Council Workshop
September 23, 2008

Consolidated Plan Background

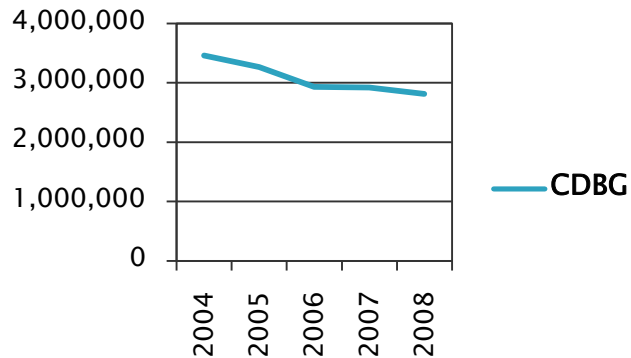
- ▶ The U.S. Department of Housing and Urban Development (HUD) has determined that Wichita is an “**entitlement**” city.
- ▶ This determination is based on a federal formula which looks at
 - Total population.
 - The number of persons below the poverty level.
 - The number of overcrowded housing units.
 - Age of housing.
 - Population growth lag.

Consolidated Plan Funding

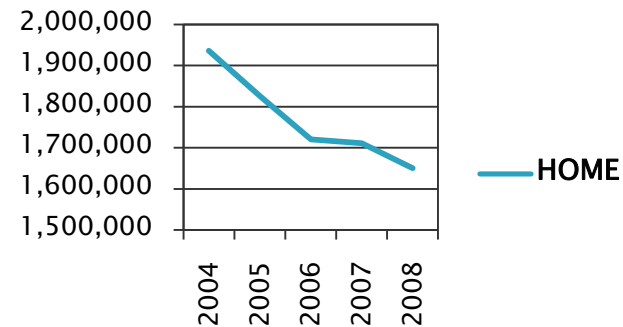
- ▶ As a result of our “**entitlement**” status, annual allocations for the following programs are made based on the formula results & available funds:
 - Community Development Block Grant (CDBG)
 - HOME Investment Partnerships (HOME)
 - American Dream Downpayment Initiative (ADDI)
 - Emergency Shelter Grant (ESG)
- ▶ The amount of the allocations is determined by the budget adopted by Congress.

Consolidated Plan – Funding Trends

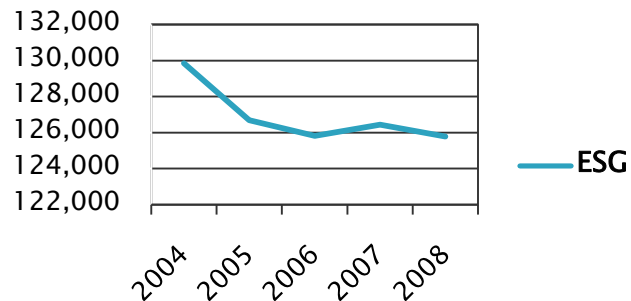
CDBG



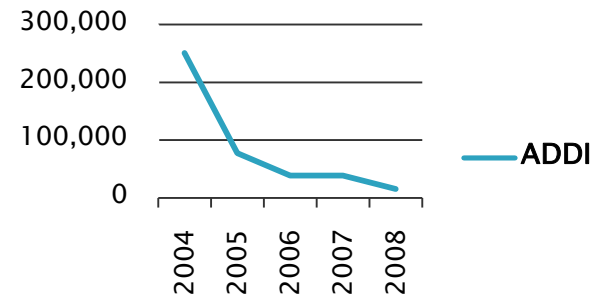
HOME



ESG



ADDI



Five Year Consolidated Plan

- ▶ In order to be eligible to receive CDBG, HOME, ADDI and ESG allocations as an “**entitlement**” city, we must prepare a Five Year Consolidated Plan.
- ▶ The Plan must be prepared according to federal guidelines.

Importance of the Consolidated Plan

- ▶ The Five-Year Consolidated Plan will help guide funding decisions over the next five years.
 - *It is possible to modify the plan during any of those years where circumstances dictate a need to do so.

Consolidated Plan Related Reports

- ▶ Once a jurisdiction has a five-year plan, they are required to submit Annual One Year Plans, based on the actual allocation of funding for each particular year.
 - In Wichita we do that in May.

Additional Reports

- ▶ Each jurisdiction is also required to submit an annual review of each year's administration of the One Year Action Plan.
- ▶ That review is called the Consolidated Annual Performance and Evaluation Report or CAPER.
 - In Wichita, we submit the CAPER in September. (The Council approved the 07–08 CAPER on September 16, 2008).

Status of Wichita's Consolidated Plan

- ▶ Wichita's 2004–2008 Consolidated Plan will expire on June 30, 2009.
- ▶ A new five year Consolidated Plan must be in place by July 1, 2009.
- ▶ The following slides provide an outline for development of a new five year Consolidated Plan.

Consolidated Plan Priority Needs

- ▶ An important part of the plan is the creation of community priority needs.
- ▶ Equally important is the requirement to seek input from policy makers, agency representatives and potential recipients of the funds, in identifying those needs.
- ▶ Staff plan to seek input via surveys, public hearing(s) and DAB presentations at a minimum.

Priority Needs Survey

- ▶ Surveys have been developed to obtain public input based on eligible activities under each funding category.
- ▶ Surveys will be distributed to DABs, WIN, Public Housing tenants and Section 8 clients, HOME program recipients, and non-profits. It will also be available on the City's website.
- ▶ Staff will also incorporate other community needs assessments such as from the United Way & Visioneering strategic alliances.

Priority Needs Survey

- ▶ The priority needs surveys request prioritization of need based on the eligible Consolidated Plan funding areas.
- ▶ The following pages provide a summary of Consolidated Plan eligible activities.
 - Note: Wichita has not funded all eligible activities in each funding category, but could if they are included in the Consolidated Plan.

CDBG National Objectives

- ▶ **Benefit to low- and moderate- income (LMI) persons**
 - Area benefit where 51% of the residents are low-mod
 - Low-mod limited clientele: funding will serve groups where 51% of them are low-mod
 - Low-mod housing activities: where the residents will be low-mod or 51% of them will be low-mod
 - Low-mod job creation: where activities will result in 51% of the jobs going to low-mod persons
- ▶ **Aid in the prevention or elimination of slums or blight**
 - “Slum Blight Area Basis” eliminates blight in an area which meets the state definition of slum or blight
 - “Slum Blight Spot Basis” eliminates blight in a specific location which is not in a blighted area
 - “Slum Blight Urban Renewal Area” to complete an urban renewal plan
- ▶ **Meet a need having a particular urgency (referred to as urgent need)**
 - To meet an emergency need as a result of a major weather-related disaster such as a flood, or to maintain order during civil disobedience

CDBG Eligible Activities

- ▶ Housing
- ▶ Community Development
- ▶ Public Facility Construction/Improvement
- ▶ Infrastructure
- ▶ Historic Preservation
- ▶ Public Service (capped at \$1,163,310 for Wichita)
- ▶ Economic Development
- ▶ Youth

HOME Program Goals

- ▶ HOME is the largest Federal block grant to State and local governments designed exclusively to create affordable housing for low-income households.
- ▶ HOME emphasizes consolidated planning to expand and strengthen partnerships among all levels of government and the private sector in the development of affordable housing.
- ▶ HOME technical assistance activities and set-aside for qualified community-based nonprofit housing groups builds the capacity of these partners.
- ▶ HOME requires that participating jurisdictions (PJs) match 25 cents of every dollar in program funds to mobilize community resources in support of affordable housing.

HOME Eligible Activities

- ▶ Buy, build or rehabilitate housing
- ▶ Tenant-based rental assistance
- ▶ Housing development support for Community Housing Development Organizations (CHDOs)
- ▶ Financial assistance to home buyers
- ▶ Purchase & rehab of blighted property

ESG Program Goals

- ▶ The Emergency Shelter Grants program provides homeless persons with basic shelter and essential supportive services.
- ▶ It can assist with the operational costs of the shelter facility, and for the administration of the grant.
- ▶ ESG also provides short-term homeless prevention assistance to persons at imminent risk of losing their own housing due to eviction, foreclosure, or utility shutoffs.

ESG Eligible Activities

- ▶ Renovation/rehab or conversion of emergency shelter or transitional housing
- ▶ Social services
- ▶ Operating costs (shelters)
- ▶ Homeless prevention

Program Administration

- ▶ All funding sources allow program administrative expenses to be charged to the grants, up to the following maximums:
 - CDBG: up to 20%
 - HOME: up to 10%
 - ESG: up to 5%

Priority Needs Schedule

- ▶ Sept. 23'08 – City Council Workshop
- ▶ Oct.'08 – Distribute Priority Needs surveys to agencies and make available online on the City's website
- ▶ Oct.'08 – DAB Presentations on Priority Needs
- ▶ Nov.'08 – Survey Public Housing, Section 8, & HOME program recipients on Priority Needs

Priority Needs Schedule (cont'd)

- ▶ Survey tabulation and analysis (December'08)
- ▶ Presentation of Survey Results to City Council (January'09)

One Year Action Plan

- ▶ Note: Planning for the 2009–10 One Year Action Plan will occur simultaneously with the development of the Consolidated Plan.
- ▶ November–December'09
 - Staff provides estimates of 2009–10 Consolidated Plan funding, and requests Council approval of allocation categories
 - Council designates Grants Review Committee
 - Staff issue RFPs and applications

Next Steps

- ▶ Once the priorities have been established, staff will ask Council to review the geographic boundaries for the:
 - Neighborhood Revitalization Areas
 - Local Investment Areas
 - Redevelopment Incentive Area
- ▶ The review will determine whether there is a need to make changes in the target areas for Consolidated Plan funding.

Concluding Observation

- ▶ Development and management of the Consolidated Plan is challenging and time-consuming, but is designed to create a program tool which takes into account a variety of stakeholder perspectives.
- ▶ The benefits are over \$4M in federal funds annually, to assist low to moderate income populations – the primary local government resource designed specifically for this population.